

May 28, 2007

SIIX Corporation
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Securities Code: 7613, First Section,
Tokyo Stock Exchange and Osaka Securities Exchange
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Transfer (Disposition) of a Consolidated Subsidiary

SIIX Corporation hereby announces as shown below that we resolved at the meeting of the Board of Directors held on May 28, 2007 to transfer all of its investment in Nansha Sakata Ink Corporation (head office: Nansha Economic and Technological Development Zone, Panyu District, Guangzhou Province, China) ("Nansha Sakata" below), a consolidated subsidiary of the Company, to Sakata Inx Corporation.

1. Reason for the transfer of the investment:

The Company established Nansha Sakata due to its role as regional distribution outlet for the main product of Sakata Inx Corporation, ink for printing, for the purpose of the manufacture and sale of ink for printing for the Chinese market in a three-company tie-up between the Company, Sakata Inx Corporation, and INX International Ink Co., in December 1995.

In recent times, the association between the business of Nansha Sakata and the main business of the SIIX Group, which mainly focuses on the production, assembly, procurement, and sale of electronic parts and devices, has been diluted, so it was decided to transfer the entire investment of the company in Nansha Sakata to Sakata Inx Corporation.

2. Overview of the subsidiary being transferred (as of December 31, 2006)

(1) Company name	Nansha Sakata Ink Corporation
(2) Location	Nansha Economic Development Zone, Panyu City, Guangzhou Province, China
(3) Date of establishment	December 1995
(4) Details of principal business	Manufacture and sale of ink for printing
(5) Date of settlement	December
(6) Number of employees	46
(7) Capital	Thousand RMB 2,077 (about 30 million yen)

(8) Investment composition and ratio

Name of investor	Investment ratio
SIIX Corporation	50%
Sakata Inx Corporation	25%
INX International Ink Co.	25%

(9) Results trends in the most recent business year

(Unit: thousand RMB)

Date of settlement	The fiscal year ended December 2006
Sales	37,683
Current income	5,118
Total assets	35,865

3. Destination of transferred investment

- (1) Company name Sakata Inx Corporation
(2) Representative Hirotsugu Takamaru
(3) Head office address 1-23-37, Edobori, Nishi-ku, Osaka
(4) Details of principal business Manufacture and sale of various types of ink for printing and auxiliary substances, sale of materials for printing and printmaking, sale of electronic product and information materials, manufacture, sale, export and import of recording materials
(5) Relationship with the company Other affiliated company

4. Status of holding ratio before and after the acquisition of the investment

- (1) Holding ratio before the transfer: 50%
(2) Interest transferred: 50%
(3) Holding ratio after the transfer: 0%

5. Schedule

- May 28, 2007: Resolution of the Board of Directors concerning the transfer of the investment
May 28, 2007: Conclusion of the "Capital Transfer Contract"

6. Impact on performance

The impact on income and loss in association with the transfer of the investment is forecast at about ¥155 million on the consolidated financial statements and about ¥336 million on the non-consolidated financial statements, with the profit for the disposal of the affiliated company investment in affiliates booked under extraordinary income. With regard to the correction of the non-consolidated performance forecasts for the Company for the term ending December 2007, please refer to the "Revised Performance Forecast (Non-consolidated)," which was also announced today.